

August 31, 2020

The Honorable Representative Rafael Anchia, Chair
Texas House of Representatives Committee on International Relations & Economic
Development
Room E2.118
P.O. Box 2910
Austin, TX 78768

Via electronic mail to jeff.madden_hc@house.texas.gov

RE: Interim Charge 3: Study . . . the infrastructure at land ports of entry to facilitate international trade and economic growth. . . . Examine the infrastructure at international border ports of entry in Texas and identify transportation-related impediments to international trade that negatively impact the state. Make recommendations to reduce border wait times, facilitate economic growth, and expedite trade.

Dear Chair Anchia and Committee Members:

Thank you for giving the County of El Paso the opportunity to respond to the Committee on International Relations & Economic Development's interim charges.

As the home to five operational international bridges, including the newest Marcelino Serna Port of Entry in Tornillo, the County of El Paso understands that any investments in ports of entry which expedite the flow of commerce between the United States and Mexico would pay huge dividends for Texas' economy. The Comptroller reports that the El Paso port of entry alone accounted for more than 20 percent of Texas' international trade in 2018, roughly \$81.9 billion, up from \$72 billion in 2015.¹ Shipping activity increased 102 percent between 2003 and 2018. All this trade affected about 165,500 net jobs in Texas, and about \$25 billion in gross domestic product (GDP) in 2018. That year, El Paso's international bridges handled more than 800,000 trucks, 12 million cars, and seven million pedestrians, according to the Comptroller.

It's expected that trade will only increase with the recent passage of the United States Mexico Canada Agreement (USMCA).² However, increased demand on the El Paso port of entry must be

¹ *Compare* Port of Entry: El Paso, Impact to the Texas Economy, 2015, https://comptroller.texas.gov/economy/economic-data/ports/2016/el-paso.php *with* Port of Entry: El Paso, Impact to the Texas Economy, 2018, https://comptroller.texas.gov/economy/economic-data/ports/el-paso.php.

² See e.g. M. Ray Perryman, Ph.D., *US-Mexico-Canada Agreement a Major Win for the Economy*, Peryyman Group (Jan. 30, 2020), https://www.perrymangroup.com/publications/brief/us-mexico-canada-agreement-a-major-win-for-the-economy (estimating that the USMCA will have a \$17.6 billion positive impact on Texas' GDP and create 164,700 new jobs).

met with significant financial investment in, and infrastructure, technology and logistical improvements to, our international bridges. Further, if we fail to make improvements to, and increase capacity at, our ports of entry, Texas risks becoming less competitive with neighboring border states Arizona, New Mexico and California.

In its testimony to this Committee, the City of El Paso, which manages three crossings in El Paso County, identified several impediments to maximizing the efficient flow of people and product over our ports of entry. The City makes specific recommendations to improve collection of real-time data on bridge wait times, to expedite commercial inspections and minimize congestion, and to fund new technologies and innovative local programs that facilitate trade. We concur with these recommendations, and join the City in calling on lawmakers to pass legislation that will help ensure our international ports of entry remain the economic engines driving Texas' economy.

Thank you again for this opportunity to offer comments on the Committee's charges. Please do not hesitate to contact the County should you have any questions.

Sincerely,

Daniel F. Collins

Governmental Affairs Manger

County of El Paso, Texas

500 E. San Antonio Ave., Room 311

El Paso, Texas 79901

dcollins@epcounty.com

915.546.2215